Deloitte.

Glossary

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Annuities	
Annuity rate options	
Level	Level or flat annuities are the simplest annuity products, which guarantee a set nominal revenue to beneficiaries.
Escalating / index-linked	Escalating annuities provide an increasing annuity payment to beneficiaries. The rate of increase can be fixed/agreed in advance in the contract or linked to an inflation index.
Enhanced annuities	Specific type of annuity product available to beneficiaries with health conditions that factor in reduced life expectancy of the annuitant and as a result a better annuity rate for the customer.
Unit-linked:	Provides a guaranteed regular income, but the income stream varies in line with underlying investments.
Dynamic	Dynamic annuities are a specific type of with-profit annuities. The insurance provider guarantees a minimum income level and has the possibility to increase the income stream every year depending on the performance of underlying investments.
Annuity purchase options	
Single Premium	The product pays an income as soon as the annuitant purchases the product with a lump sum.
Flexible premium	The product is funded by a series of (possibly regular) payments over a period of time.
Payment options	
Immediate	Immediate annuities are the most common type of annuities where payment is triggered at purchase. (see Single premium)
Deferred income annuity / Longevity annuity	Deferred annuities purchased before the commencement of payments by the annuity providers (include flexible and single premium). Longevity or late-life annuities are a subset of deferred annuities specifically designed for late retirement (e.g., 75/80+), they are bought several years before the intended start of payments.
Contract length	
Life(time)	Product paying out a guaranteed amount to the policyholder until death
Fixed term	Product paying a guaranteed income for a term of the customer's choice
Beneficiaries	
Individual	Annuity income is received by a single beneficiary and stops at death
Joint annuity	At the death of the first beneficiary, the annuity income switches to a third party instead of stopping, flexibility on how much of the annuity income is passed on to the third party after death.

Other definitions	
Guaranteed fund	The guaranteed funds guarantee a percentage of the original investment into the fund.
Smoothed fund	Smoothed Funds employ 'smoothing' processes aimed at mitigating the influence of market movements on the value of the fund.